

New Jersey Film Tax Credit Program

Provides a transferable credit for qualified expenses incurred for the production of certain film and digital media content in New Jersey.

The goal of the program is to incentivize production companies to film in New Jersey.

Learn More at
www.njeda.com/film

Program Details

Provides a transferable credit against the corporation business tax and the gross income tax for qualified expenses incurred for the production of certain film media content in New Jersey up to 35%. Qualified film production expenses incurred for services performed and tangible personal property purchased for use at a sound stage or other location that is located in the State within a 30-mile radius of the intersection of Eighth Avenue/Central Park West, Broadway, and West 59th Street/Central Park South, New York, New York are eligible for 30 percent.

Eligibility Guidelines

In order for a film project to be eligible for tax credits under the NJ Film Tax Credit Program, the film project must:

- Be a feature film, a television series, or a television show of 22 minutes or more in length, intended for a national audience, or a television series or a television show of 22 minutes or more in length intended for a national or regional audience, including, but not limited to, a game show, award show, or other gala event filmed and produced at a nonprofit arts and cultural venue receiving State funding. Productions featuring news, current events, weather, and market reports or public programming, talk show, sports event, or reality show, a production that solicits funds, a production containing obscene material as defined under N.J.S.2C:34-2 and N.J.S.2C:34-3, or a production primarily for private, industrial, corporate, or institutional purposes are not eligible for film tax credits.
- Meet one of the following expense eligibility thresholds:
 - 60 percent of the total film production expenses (exclusive of post -production costs) must be incurred for services and goods purchased through vendors authorized to do business in New Jersey
 - The qualified film production expenses, in a single period for the applicant must exceed \$1,000,000 for services performed, and goods purchased, through vendors authorized to do business in New Jersey
- End credits must include "Filmed in New Jersey" statement or logo.
- Principal photography of the project must commence within 180 days of complete application
- "Reality shows", which are otherwise ineligible, may be eligible for the Film Tax Credit Program if the production company of the reality show owns, leases, or otherwise occupies a production facility of at least 20,000 square feet in an Urban Enterprise Zone for at least two years, and, after July 1, 2018, makes a capital investment of at least \$3 million in that facility.

continued

Fees*

Application Fee:

- \$500 (\$1 million tax credit or less)
- \$2,500 (tax credit in excess of \$1 million)
- Full amount of direct costs of any analysis by a third party retained by the NJEDA

Issuance Fee:

- 0.5% of tax credit amount (payable prior to receipt of the tax credit)

Transfer Fee:

- \$1,000 the Business Incentive Tax Clearance can be printed directly through PBS.

*All fees are non-refundable.

Diversity

The primary objective of the 2% Diversity Tax Credit is to stimulate job growth by encouraging film productions to employ the services of women and minority persons. The structure of this program seeks to further ensure that equal employment opportunities are offered to “above-the-line” positions (generally, key creative positions) as well as “below-the-line” positions (all other production crew). An overall goal of not less than 15 percent shall be utilized in the hiring of minority persons and women. All diversity plans must identify goals for hiring both minority persons and women. The diversity plan shall indicate which efforts the applicant will make to ensure equal employment opportunities for minority persons and women in the recruitment, selection, appointment, promotion, training, and related employment areas. These actions may include advertising, recruitment, and internship opportunities. The diversity plan will indicate whether and, if so, how the applicant intends to participate in training, education and recruitment programs that are organized in cooperation with New Jersey state colleges and universities, labor organizations, and the motion picture industry and are designed to promote and encourage the training and hiring of New Jersey residents who represent the diversity of the state’s population. Such cooperation is encouraged but not required. More information can be found at www.njeda.com/film

More Info

Tax credits are available on a first-come, first-served basis, based on the date/time a fully completed application is received by the NJEDA. If an incomplete application is received, the NJEDA will notify the applicant, who will be required to provide the additional information and re-submit the application. In this scenario, the date/time of record will be based upon when the complete application is resubmitted, not the initial submittal of the incomplete application.

Projects utilizing NJEDA financial assistance for construction related costs are subject to state prevailing wage requirements.

Effective April 1, 2020 all construction contracts in which prevailing wage applies must provide proof of valid NJ Department of Labor Construction Registration Certification. Please email PWCR@dol.nj.gov if you have any questions about this requirement. Please be advised that a valid Contractor Registration Certificate is required to perform construction on this NJEDA financially assisted project.

For more information visit: www.njeda.com/film



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